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COMMERCE COMMISSION

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Illinois Telecommunications Access Corporation )

Petition for approval of TTY Purchase and Signaler Purchase Agreements pursuant to 83 Ill. Adm. Code 755.135(b). )

No. 04-0661

CHIEF CLERK'S OFFICE

PETITION

To the Commission:

The Illinois Telecommunications Access Corporation ("ITAC") hereby requests, pursuant to 83 Ill. Adm. Code 755.135(b), that the Commission approve the TTY Purchase Agreement between ITAC and Ultratec, Inc. ("Ultratec") attached hereto as Appendix A, and the Signaler Purchase and TTY Post-Warranty Repair Agreement between ITAC and Teltex, Inc. ("Teltex"), attached hereto as Appendix B.

In support of this petition, ITAC respectfully states as follows:

(1) ITAC is a not-for-profit corporation formed by all Illinois local exchange telecommunications carriers ("carriers"), pursuant to the authorization and direction of the Commission, to implement the programs mandated under Section 13-703 of the Public Utilities Act, 220 ILCS 5/13-703, and Parts 755 and 756 of the Commission's rules. All Illinois wireline carriers are members of ITAC. Among other programs, ITAC is required to provide telecommunications devices to eligible recipients with permanent hearing and/or speech disabilities, and to provide a telecommunications relay service ("TRS") which permits individuals with a speech and/or hearing disability using a TTY or other telecommunications

device to communicate over the standard telecommunications network with a hearing or speaking individual. ITAC provides TRS in Illinois under a contract with Sprint Communications Company, L.P. that was approved by the Commission on January 4, 2000 in Docket Nos. 99-0442 and 99-0443.

(2) TTYs (text telephones) allow deaf, speech disabled and hard-of-hearing telephone users to communicate over the telephone network with each other and with hearing persons through the Illinois Relay Service. In a typical TRS call, the TTY user types a message, which is voiced to the hearing party by a communications assistant at the Illinois Relay Service. The hearing person speaks a response, which is typed by the communications assistant to the deaf or hard-of-hearing user. "Voice carry-over" and "hearing carry-over" variations are also possible, which allow the TTY users with speech or hearing abilities to utilize those skills. Utilizing these technologies, deaf and hard-of-hearing users with sufficient speech skills may speak and read the reply; speech disabled users may type and listen to the reply. A TTY is typically used with a signaler, which flashes a light or vibrates to signal an incoming call to a TTY, in the same way that a ring signals an incoming call on a standard telephone.

(3) ITAC's currently distributes TTYs and signalers through a loan program, pursuant to which ITAC owns the TTY and signaler units, and repairs and replaces them when they break, at no cost to the recipient. The Commission's regulations (83 Ill. Adm. Code 755.100) require that ITAC establish a voucher program for the distribution of assistive equipment by July, 2005. The voucher program may be in addition to, or in place of, the loan program. Under a voucher program, recipients (rather than ITAC) own the assistive equipment and are responsible for repair and maintenance of the equipment. By order dated July 21, 2004,

in Docket No. 04-0422, the Commission approved ITAC's proposal to distribute amplified telephones through a voucher program.

(4) ITAC has considered various options for continued distribution of TTYs and signalers, and has determined that it is more efficient to distribute TTYs through a voucher program, and that to do so would be a long-term benefit to the disability community. ITAC has depleted its supply of TTYs. By distributing new TTYs and signalers through a voucher rather than a loan program, ITAC will save the cost of warehousing TTYs and signalers. Under the attached purchase agreements, both TTYs and signalers will be drop-shipped by the sellers directly to the user. In addition, under a voucher program, ITAC will not incur the cost of repair and will greatly reduce its training costs. Moreover, distribution of TTYs and signalers under a voucher program would place deaf, hard-of-hearing and speech-disabled persons in a similar position to hearing persons, who own and maintain their own telephones. Under ITAC's new TTY voucher program, recipients would be entitled to a new TTY and signaler every four years.

(5) Pursuant to Section 755.120, ITAC must evaluate the equipment it provides on eleven factors:

- a) Whether the equipment allows persons who are deaf or hard-of-hearing, deaf-blind, hearing-sight disabled, or speech or speech-sight disabled access to the telecommunications network to send or receive messages;
- b) Whether the equipment falls within the scope of the Program pursuant to legislative mandates;
- c) The financial impact on the Program and on the intended recipients of procuring the equipment, and the cost-effectiveness of the equipment;
- d) Whether the equipment meets an identified need;
- e) The ease of availability of the equipment;

- f) The durability, reliability, and quality of the equipment;
- g) The cost, ease, and feasibility of training persons, including disabled persons as defined in Section 755.10, in the use of the equipment;
- h) The cost, ease, and feasibility of equipment repair;
- i) The availability of warranties upon the equipment;
- j) Ease of use of the equipment by persons with a disability; and
- k) Compatibility of the equipment with other ITAC equipment and other telecommunications technology.

(6) Since the inception of the ITAC equipment distribution program, ITAC has distributed TTYs to deaf, hard-of-hearing and speech disabled persons. Since January, 1996, ITAC has distributed Ameriphone Dialogue III-P TTY. Prior to 1996, ITAC distributed the Ultratec Superprint 400-USA model TTY, and a number of these TTYs are still in operation and used by ITAC participants.

(7) In order to evaluate TTYs, ITAC requested its Advisory Council to review and test TTYs. The Advisory Council consists of seven persons elected as representatives of the deaf, hard-of-hearing and speech-disabled community. Members of the Advisory Council have considerable experience using both the older model Ultratec Superprint and the Ameriphone Dialogue TTYs. The Advisory Council considered the available models of TTY, and unanimously selected the Ultratec Superprint 4425.

(8) Based on the Advisory Council's positive evaluation of the Ultratec Superprint 4425 and the long experience of both ITAC and the Advisory Council with both Ameriphone and Ultratec Superprint TTYs, ITAC concluded that the Ultratec Superprint 4425 meets all the

requirements of Section 755.120, and exceeds other models of TTY with respect to reliability, durability and quality.

(9) The Ultratec Superprint 4425 permits persons who are deaf, hard-of-hearing, or speech disabled access to the telecommunications network to send and receive messages, as required by Section 755.120(a). For many persons who are deaf, hard-of-hearing, and speech disabled, a TTY enables them to communicate over the telephone network with persons using a standard telephone. As required by Section 755.120(b), this TTY falls within the scope of the program mandated by 220 ILCS 5/13-703 (a), which directs carriers to provide telecommunications devices "capable of servicing the needs of those persons with a hearing or speech disability together with a single party line, at no charge additional to the basic exchange rate . . . .". Consequently, provision of the Ultratec Superprint 4425 TTY will meet an identified need, by serving the deaf, hard-of-hearing, and speech disabled population that cannot communicate over the telephone network without assistive equipment, consistent with Section 755.120(d).

(10) Based on ITAC's review of available TTY equipment, ITAC concluded that the Ultratec Superprint 4425 is a cost-effective addition to its distribution program, as required by Section 755.120(c). As explained more fully below, ITAC solicited bids and has negotiated a contract for the purchase of Ultratec Superprint 4425 TTYs with the lowest bidder, which was the manufacturer, Ultratec. The superior reliability, durability and quality of the Ultratec Superprint 4425 also insure that this equipment will be cost-effective for the recipients, who will be responsible for repair of the unit after expiration of the manufacturer's one-year warranty.

(11) Pursuant to Sections 755.120(e) and (f), ITAC ascertained that the selected model of TTY is readily available, and it is durable, reliable and of high quality. Further, in its Purchase Agreement for the Ultratec Superprint 4425 TTY, ITAC has specified that Ultratec must supply reports on the repair record of the TTY in the ITAC program, and ITAC may discontinue purchases of the Ultratec Superprint 4425 TTY if it finds that the model is not sufficiently durable and reliable.

(12) Consistent with Sections 755.120(g) and (j), the Ultratec Superprint 4425 TTY is relatively easy to use and to learn to use. Moreover, ITAC has assured, in its purchase agreement with Ultratec, that users have access during standard working hours, via a toll-free voice and text telephone number, to a customer service facility that can answer questions regarding the equipment and help users determine if it needs to be returned for repair.

(13) As required by Sections 755.120(h) and (i), the selected TTY comes with a standard manufacturer's one-year warranty. Ultratec will not require submission of a warranty card or other documentation in order for the warranty to be honored when items are returned for warranty repair. In addition, ITAC has contracted with two vendors, Ultratec and Teltex, to provide cost-effective repair service after expiration of the standard warranty. To further ease the burden of equipment repairs, Ultratec and Teltex both agreed to provide shipping back to the customer after repairs.

(14) Consistent with Section 755.120 (k), the Ultratec Superprint 4425 TTY is compatible with other ITAC equipment and other telecommunications technology.

(15) A deaf or hard-of-hearing TTY user needs a signaler unit to alert the user to incoming calls. Signaler units typically either vibrate or flash a light when the TTY receives a call. Based on input from the Advisory Council and from other state distribution programs, as well as first-hand experience with Ameriphone, Ultratec, and Sonic Alert signaler units, ITAC selected the Sonic Alert TR 75 Signaler. Sonic Alert is recognized as the industry standard, and the model TR 75 is the top-of-the-line master unit that flashes a light to signal an incoming call. Remote units of any brand are compatible with the TR 75, and can be used by TTY users to signal calls in other rooms. The Sonic Alert TR 75 is a sophisticated signaler, in that it has a lamp on/off button that sits on the table top and allows the lamp to be used both for signaling and for normal room lighting. It also has a plug-outlet that minimizes electric cords. In addition, the Sonic Alert TR 75 signaler draws very little phone line power. Importantly, the Sonic Alert TR 75 has a five-year warranty, the longest on the market. This warranty means that signaler repairs will be free for ITAC recipients, except for cases of user abuse.

(16) The Sonic Alert TR 75 signaler meets all the requirements of Section 755.120. The Sonic Alert TR 75 signaler permits persons who are deaf or hard-of-hearing access to the telecommunications network as required by Section 755.120(a), because it signals the TTY user that there is an incoming call. As required by Section 755.120(b), this signaler falls within the scope of the program mandated by 220 ILCS 5/13-703 (a), which directs carriers to provide telecommunications devices “capable of servicing the needs of those persons with a hearing or speech disability together with a single party line, at no charge additional to the basic exchange rate . . . .”. Consequently, provision of the Sonic Alert TR 75 signaler will meet an identified

need, by serving the deaf and hard-of-hearing population that cannot communicate over the telephone network without assistive equipment, consistent with Section 755.120(d).

(17) Based on ITAC's review of available signalers, ITAC concluded that the Sonic Alert TR 75 is a high quality, cost-effective addition to its distribution program, as required by Section 755.120(c). While there are simpler, less expensive models of signaler on the market, ITAC believes that the additional features of the Sonic Alert TR 75 greatly increase its usefulness to the deaf and hard-of-hearing community. The superior quality of the Sonic Alert TR 75 and its 5-year warranty also insure that this equipment will be cost-effective for the recipients, as it will eliminate most repair costs.

(18) Pursuant to Sections 755.120(e) and (f), ITAC ascertained that the selected model of signaler is readily available, and it is durable, reliable and of high quality. Further, in its Purchase Agreement for the Sonic Alert TR 75 signaler, ITAC has specified that Teltex must supply reports on the repair record of the signaler in the ITAC program, and ITAC may discontinue purchases of the Sonic Alert TR 75 if it finds that the model is not sufficiently durable and reliable.

(19) Consistent with Sections 755.120(g) and (j), the Sonic Alert TR 75 is easy to use and to learn to use. The feature allowing a room lamp to be used both for lighting and signaling, the special plug, and the ability to add remote signaler units make this model of signaler particularly "user-friendly." Moreover, ITAC has assured, in its purchase agreement with Teltex, that users have access during standard working hours, via a toll-free voice and text telephone number, to a customer service facility that can answer questions regarding the equipment and help users determine if it needs to be returned for repair.



(20) As noted above and consistent with Sections 755.120(h) and (i), the selected signaler comes with a five-year warranty, which is the best warranty in the market. Under the voucher program, recipients will be entitled to a new TTY and signaler in four years. The five-year warranty thus ensures that recipients will not have to pay for signaler repairs under normal circumstances. To further ease the burden of equipment repairs, Teltex agreed to provide shipping after repairs and will not require submission of a warranty card or other documentation in order for the warranty to be honored when items are returned for repair.

(21) Consistent with Section 755.120 (k), the Sonic Alert TR 75 signaler is compatible with other ITAC equipment and other telecommunications technology, including remote signaler units of other manufacturers. In addition, there are other Sonic Alert products that a recipient could purchase that are also compatible with the Sonic Alert TR 75 signaler.

(22) As required by 83 Ill. Adm. Code 755.130(a), ITAC solicited bids for the provision of TTYs and signalers. Requests for Proposals were sent to nine vendors and posted on ITAC's website. Bids were received from four vendors.

(23) ITAC reviewed and evaluated the bids for the provision of TTYs and signalers as required by 83 Ill. Adm. Code 755.130(b). Weighing the initial cost of the equipment to ITAC, the out-year costs (and savings) to users for repair services, and administrative efficiency, ITAC determined that the overall best choice among the bidders, consistent with the criteria in Section 755.130(b), was Ultratec for provision of TTYs and post-warranty TTY repair services, and Teltex for provision of signalers and post-warranty TTY repair services.

(24) Ultratec is a leading manufacturer of TTYs and other assistive devices for people who are deaf and hard-of-hearing. Ultratec has been in the TTY design and manufacturing business far longer than any other company currently producing or selling TTYs. The TTY was invented in 1963 by Dr. Robert Weitbrecht. In 1979, Ultratec acquired Dr. Weitbrecht's company. Ultratec has the leading share of the U.S. and Canadian TTY market, and has been awarded contracts in all of the state TTY distribution programs, as well as the federal GSA contract for TTYs from 1985 through 2004. Ultratec is the sole supplier to AT&T/Lucent for its AT&T branded TTYs, and also supplies the seven regional Bell operating companies, as well as GTE, Bell Canada, and all of the Canadian Telephone Association telephone operating companies. Ultratec's extensive research and development efforts have kept it in the forefront of the TTY industry, having developed over 150 models of TTYs, public TTYs, TTY modems, Braille TTYs, VCO TTYs, and other assistive equipment. ITAC currently purchases Ultratec's CapTel captioned telephones for its loan program. Ultratec's corporate headquarters and manufacturing operations are located in Madison, Wisconsin. Its new manufacturing facility contains a new high-speed robotic electronic assembly factory plus engineering and customer service facilities. Ultratec services its products from its Madison, Wisconsin facilities.

(25) Teltex has been in business since 1994, and has a national service center that services every item it sells. It employs 7 full-time and 3 part-time service technicians with over 75 years combined experience in electronics. Teltex maintains a large in-house inventory of assistive devices serving the needs of the deaf and hard-of-hearing communities. It currently has contracts with distribution programs in Missouri, Kentucky, Maryland, Arizona, Washington and Arkansas to provide both equipment and repairs. In addition, Teltex supplies or has supplied

equipment to voucher programs in Texas, Kansas, Nebraska, Iowa, Illinois, Arizona and Wisconsin. Its national service center has serviced many distribution programs, including Minnesota, Florida, Illinois and California.

(26) ITAC and Ultratec have entered into a one-year TTY Purchase Agreement, contingent on the approval of the Commission. The TTY Purchase Agreement is attached hereto as Appendix A. Under the TTY Purchase Agreement, ITAC may renew the Agreement for up to four additional one-year terms. Ultratec has committed to provide its Superprint 4425 TTY and to repair it, both under the manufacturer's one-year warranty and for a fee after expiration of the standard warranty. The cost of the TTY unit is \$310, including shipping, insurance and handling. When a new user qualifies for a TTY or a user qualifies for replacement of his current TTY, ITAC will order the TTY and Ultratec will drop-ship the unit directly to the user.

Ultratec's obligation to repair the Superprint 4425 TTY after expiration of the standard warranty continues until four years from the date of shipment of the last TTY under the Agreement, ensuring that all users can obtain repairs for the term of their voucher. The fee for post-warranty repairs is fixed at \$60 for two years from the effective date of the TTY Purchase Agreement, and thereafter is subject to agreement between ITAC and Ultratec.

The TTY Purchase Agreement does not commit ITAC to purchase any minimum quantity of TTYs. This provision enables ITAC to discontinue purchases in the unlikely event that the Ultratec Superprint 4425 TTY proves not to be reliable. ITAC seeks approval of this Purchase Agreement pursuant to 83 Ill. Adm. Code 755.135(b).

(27) ITAC and Teltex have entered into a one-year Signaler Purchase and TTY Post-Warranty Repair Agreement (“Signaler Purchase Agreement”), contingent on the approval of the Commission. The Signaler Purchase Agreement is attached hereto as Appendix B. ITAC may renew the Signaler Purchase Agreement for up to four additional one-year terms. Teltex has committed to provide the Sonic Alert TR 75 signaler at a cost of \$31.97, including shipping and handling. The Sonic Alert TR 75 comes with a standard warranty of five years, during which time Teltex will repair or replace all broken or defective signalers without charge. Teltex will drop-ship the signaler directly to the user; each TTY distributed under the voucher program will come with a signaler, unless the user declines the signaler.

Teltex has also agreed to repair the Ultratec Superprint 4425 TTY for a fee after expiration of the Ultratec standard warranty. This obligation to repair the Superprint 4425 TTY after the expiration of the standard warranty continues until four years from the date of shipment of the last signaler under the Signaler Purchase Agreement, ensuring that all users can obtain repairs for the term of their voucher.

The Signaler Purchase Agreement does not commit ITAC to purchase any minimum quantity of signalers. This provision enables ITAC to discontinue purchases of the Sonic Alert TR 75, in the unlikely event that it proves not to be reliable or appropriate for the program. ITAC seeks approval of this Signaler Purchase Agreement pursuant to 83 Ill. Adm. Code 755.135(b).

(28) Under Sections 755.100(b) and 755.135(a)(2), the terms and conditions of a voucher program must be specified in ITAC’s tariff. On October 28, 2004, ITAC filed a tariff with the Commission detailing the terms and conditions of the TTY voucher program.

(29) Because ITAC's current supply of TTYs in its loan program is nearly depleted, ITAC hopes to commence distribution of Ultratec Superprint 4425 TTYs and the Sonic Alert TR 75 signalers soon as reasonably possible. In view of the need to replace the stock of TTYs and signalers, and ITAC's close cooperation with its Advisory Council, ITAC respectfully requests that the Commission enter an order in this proceeding without a hearing.

WHEREFORE, ITAC respectfully requests that the Commission enter an order, without a hearing, approving the TTY Purchase Agreement attached hereto as Appendix A and the Signaler Purchase and Post-Warranty TTY Repair Agreement attached hereto as Appendix B, and granting ITAC such further and additional relief as may be appropriate or necessary.

Respectfully submitted,

ILLINOIS TELECOMMUNICATIONS  
ACCESS CORPORATION

By: \_\_\_\_\_

  
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November 8, 2004

STATE OF ILLINOIS       )  
  ) ss  
COUNTY OF SANGAMON )

VERIFICATION

Trudy Snell, being first duly sworn, states that she is Executive Director for the Illinois Telecommunications Access Corporation, that she has read the attached and foregoing Petition, and that the facts and matters set forth therein are true to the best of her knowledge and belief.

*Trudy E. Snell*

Subscribed and sworn to before me  
this 8<sup>th</sup> day of November, 2004.

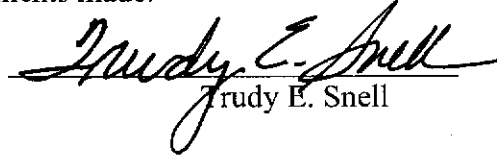
*Lisa A. Pinkham*  
Notary Public

My Commission expires: 9/15/05



CERTIFICATE OF SERVICE

I, Trudy Snell hereby certify that on the 8<sup>th</sup> day of November, 2004, I caused the foregoing Petition of the Illinois Telecommunications Access Corporation to be served on all persons shown on the Service List below, by hand delivery or by depositing a copy in first class mail, properly addressed and with payment arrangements made.

  
Trudy E. Snell

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